Sector Snapshot

Growing the Economy



Photo by USAID

For years, Afghanistan had a dysfunctional economy based on illicit drug trade and the business of war. A concerted effort must be made to reestablish a legitimate economy based on agriculture.

USAID is strengthening Afghanistan's economy by creating jobs in a variety of sectors, enabling Afghans to support their families and help rebuild their country. The private sector economy must begin to grow and offer people opportunities, or reconstruction will not succeed.

USAID

- Effectively managed the currency conversion process on behalf of the central bank by providing personnel to staff the 52 exchange points as well as counting machines, shredders, and transportation for moving the currency.
- Provided more than \$25 million in fiscal years 2001 and 2002 for humanitarian projects with a cash-for-work or food-for-work component. USAID also is creating short-term jobs for approximately 3 million people. Local Afghans receive cash or food payments for providing services that benefit entire communities, such as repairing infrastructure.
- Provided \$700,000 to help Afghans begin small-scale, income-generating activities at the village level, such as kitchen gardens, embroidery, cheese and yogurt production, and shoemaking.
- Provided millions for community government initiatives ranging from school reconstruction, irrigation system rehabilitation, public building rehabilitation, women's initiatives, and communications systems to enable the Kabul government to connect to the provinces. These small grants give thousands of jobs to Afghans across the country and show immediate peace dividends to the populace.
- Funds bakeries that employ widows and provide heavily subsidized bread to Afghanistan's urban poor. At least 250,000 people were assisted in 2002.

Website: www.usaid.gov/afghanistan Press Office: 202-712-4320



